

JUL 4 1981

MEMORANDUM FOR: The Honorable Frank C. Carlucci
Deputy Secretary of Defense

SUBJECT: Defense Intelligence Support Construction

1. The following guidelines for Military Construction projects associated with NFIP activities are proposed:

a. All construction projects associated with Defense NFIP activities will continue to be programmed and budgeted within Military Construction Appropriations and the concerned Defense Components resource totals.

b. If the project provides operational support to intelligence activities conducted at an NFIP facility, the project will be funded in the NFIP. Operational support normally includes all operations buildings, emergency power plants and concrete pads for transportable systems, dedicated air conditioning capabilities, and upgrades associated with the foregoing.

c. Structures for personnel support of intelligence activities will not be in the NFIP but will be considered for funding by the concerned Service together with other Military Construction projects. Such personnel support would normally include barracks, chapels, dining and other facilities or utility structures used for the general support activities of the military base.

2. Each DoD NFIP Program Manager will submit with his Program Recommendation a brief description (including funding profiles at program element detail) of all Military Construction projects located outside the NFIP whose purpose is support of intelligence activities as earlier defined. In those cases in which it is difficult to categorize a project or where there is significant overlap, the Program Manager should refer the question jointly to the IC Staff and OSD for resolution.

All portions of this
memorandum are UNCLASSIFIED

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3. The IC Staff in conjunction with OSD Staff will initiate the necessary coordination with OMB and Congress to work out a procedure which will satisfy their desire to have full visibility of the total cost of intelligence.

4. I request your concurrence with this proposal.

IS
B. R. INMAN
Admiral, U.S. Navy

CONCUR:

JUL 23 1981

IS

Deputy Secretary of Defense

Date